

24 February 1976

MEMORANDUM FOR: Director

SUBJECT : Requirements of Executive Order

1. The ADD's have reviewed the Executive Order with a view both to the DCI's response and to the CIA response. Our primary problem comes from those responsibilities that are placed upon the DCI personally. Some of these fall within his CFI responsibilities, others within those relating to CIA. Others still, however, are yet to be settled, the largest and most important being the production of national intelligence. We believe you must decide how you will handle these functions before a structure for the Community can be designed. The discussion on national intelligence scheduled for Wednesday is a first step.

2. You are assigned 15 responsibilities. In tentatively allocating them we have weighed both theoretical considerations: how they appear; and practical considerations: how they really work. They fall into four categories, with some overlaps:

- Those which you should use the CFI machinery to administer
- Those which relate only to CIA
- Those which are concerned with your national intelligence production responsibilities
- Those which are subject to bodies ranking above CFI: The NSC, the Oversight Board, and the Operations Advisory Group

Our proposed allocation is attached. I have discussed this with Knoche, who is in general agreement. We recommend that you: 1) address the problem of national production; 2) approve this allocation of your other responsibilities.

3. Other Actions:

- A. NSC. 6-monthly reviews - no action until requested. IC is prepared to handle.
- B. CFI. IC has action.
- C. Operations Advisory Group. DDO, with DDI and DDS&T, will:
  - 1) Recommend Agency procedures (see also DCI responsibility v.) and
  - 2) In consultation with NSC Staff, recommend OAG procedures.

ACTION: DDO

- D. DDCI's. Review seniority issue.

ACTION: OGC

- E. Provision of information to DCI.

ACTION: Defer pending clarification of community structure.

- F. "Senior officials shall":

- 3. Establish standards of employee conduct.

ACTION: DDA, with OGC.

- 4. IG standards

ACTION: IG (see DCI responsibility ix.)

- 5. Reporting violations

ACTION: OGC set up procedures.

- 8, 9. Security standards

ACTION: Defer pending agreement on DCI responsibilities vii(B) and (C), and x.

G. "CIA shall":

- 4. Counterintelligence

ACTION: DDO with OGC to review for compliance.

- 8, 9. Support

ACTION: DDA with OGC to review for compliance.

H. Restrictions

ACTION: DDA. Handled separately.

I. Oversight Board. See DCI responsibility ix.

J. Secrecy oaths

ACTION: IC for Community if allocation of DCI responsibilities vii(B) and (C) and x. is bought. DDA for Agency with OGC.

K. Enabling

ACTION: IC until new directives issued.

4. Additional studies underway:

- A. Production of National Intelligence (Walsh)
- B. Organization of O/DCI ( ) with OLC, IG, Comptroller)
- C. Disposition of USIB (Walsh)

Attachment

RICHARD LEHMAN

Allocation of Personal Duties of the DCI

- (i) Chair the CFI (CFI)
- (ii) Act as executive head of the CIA (CIA)
- (ii) Act as executive head of the Intelligence Community staff (CFI)
- (iii) Ensure the development and submission of a budget for the National Foreign Intelligence Program to the CFI (CFI)
- (iv) Act as the President's primary adviser on foreign intelligence (CFI and CIA)
- (iv) Provide the President and other officials in the Executive branch with foreign intelligence, including National Intelligence Estimates (PROD)
- (iv) Develop national intelligence requirements and priorities (CFI and PROD)
- (iv) Supervise production and dissemination of national intelligence (PROD)
- (v) Ensure appropriate implementation of special activities in support of national foreign policy objectives (OAG)  
(CIA)
- (vi) Establish procedures to ensure the propriety of requests, and responses thereto, from the White House Staff or other Executive departments and agencies to the Intelligence Community (CFI)
- (vii) Ensure that appropriate programs are developed which properly protect intelligence sources, methods and analytical procedures. His responsibility within the United States shall be limited to: (CFI and CIA)
  - A. Protection by lawful means against disclosure by present or former employees of the Central Intelligence Agency or persons, or employees of persons or organizations, presently or formerly under contract with the Agency (CIA)
  - (B.) Providing leadership, guidance and technical assistance to other government departments and agencies performing foreign intelligence activities; and (CFI)

- C. In cases involving serious or continuing security violations, recommending to the Attorney General that the case be referred to the Federal Bureau of Investigation for further investigation. (CFI)
- (viii) Establish a vigorous program to downgrade and declassify foreign intelligence information as appropriate and consistent with Executive Order No. 11652 (CFI)
- (ix) Ensure the existence of strong Inspector General capabilities in all elements of the Intelligence Community and that each Inspector General submits quarterly to the Intelligence Oversight Board a report which sets forth any questionable activities in which that intelligence organization has engaged or is engaged (Oversight Board) (CFI)
- (x) Ensure the establishment, by the Intelligence Community, of common security standards for managing and handling foreign intelligence systems, information and products, and for granting access thereto (CFI)
- (xi) Act as the principal spokesman to the Congress for the Intelligence Community (CFI and PROD)
- (xi) Facilitate the use of foreign intelligence products by Congress (PROD and CIA)
- (xii) Promote the development and maintenance by the Central Intelligence Agency of services of common concern to the Intelligence Community organizations, (CIA)
- (xii) ...including multi-discipline analysis, national level intelligence products, and a national level current intelligence publication (PROD and CIA)
- (xiii) Establish uniform criteria for the identification, selection, and designation of relative priorities for the transmission of critical intelligence, and provide the Secretary of Defense with continuing guidance as to the communications requirements of the Intelligence Community for the transmission of such intelligence (CFI)
- (xiv) Establish such committees of collectors, producers and users of intelligence to assist in his conduct of his responsibilities as he deems appropriate (CIA and PROD)

- (xv) Consult with users and producers of intelligence, including the Departments of State, Treasury, and Defense, the military services, the Federal Bureau of Investigation, the Energy Resources and Development Administration, and the Council of Economic Advisors, to ensure the timeliness, relevancy and quality of the intelligence product (NSC)  
(CFI and PROD)

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### Operation of the NIO's under Option III

1. The sole purpose of Option III is to vest in the DD/CIA as the DCI's Executive Agent line (or one-man) responsibility for the production of all forms of national intelligence. Maintenance of the NIO's in their staff role is an integral part of this option. Because the DD/CIA is the DCI's Executive Agent, the NIO is working for him as well as for the DCI and may, as noted below, have a somewhat broader scope than at present. While Option III limits his role in the management of production, it in no way inhibits his other activities.

*after all,  
The E.O.  
gives the  
CIA the  
function*

2. Under this Option the NIO continues to be the DCI's customer representative. He <sup>has a role in</sup> defines the scope and content of a project and, through his knowledge of Community assets, is able to recommend how and by whom it should be carried out, whether on an interagency or unilateral basis. He brings these requirements and recommendations to the DD/CIA as the DCI's Executive Agent.

3. The latter will usually accept both requirement and recommendation, but is authorized to modify and will in a few cases want to reject them. When he and the NIO have agreed on what the paper should include and how it should be done, it becomes his responsibility to produce the paper, and to <sup>shepherd</sup> defend it through whatever external review process may be appropriate. However, this is not, the end of the NIO's involvement in support of the Executive Agent. In projects <sup>assigned to</sup> involving agencies other than CIA, for instance, the NIO ~~would~~ act for DD/CIA in arranging for participation or unilateral production by INR and/or DIA. The Executive Agent <sup>can</sup> ~~could~~, and often <sup>will</sup> ~~would~~, find it

*to incorporate  
the contributions  
from other  
agencies*



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appropriate to designate the NIO himself as Chairman of a National Estimate. Even <sup>in</sup> cases involving CIA alone, DD/CIA might want to use the NIO in a staff capacity.

4. Once a project <sup>is</sup> ~~was~~ set in train, the NIO <sup>is</sup> ~~would be~~ free, in fact <sup>is</sup> ~~would be~~ expected, to monitor it from beginning to end. He ~~can~~ <sup>can</sup> not direct it unless the Executive Agent designated <sup>§</sup> him to do so, but his influence over the process <sup>is</sup> ~~would be~~ strong. He advises the DCI, and he <sup>will</sup> ~~would~~ be a principal actor in whatever review process the paper <sup>goes</sup> ~~underwent~~ after the responsible production organization <sup>has</sup> ~~had~~ completed its work. For this reason, the producer <sup>the NIO's</sup> ~~would have~~ every reason to respond to <sup>his</sup> advice during the production process. If the producer <sup>§</sup> ~~had~~ reason to differ, however, it <sup>is</sup> ~~would be~~ his responsibility to do so and to defend his views when the paper <sup>is</sup> ~~was~~ reviewed. The producer <sup>is</sup> ~~would be~~ responsible until he <sup>is</sup> ~~was~~ overridden by higher authority, and the chain of command ~~would~~ remain intact.

5. The position of the NIO is changed by Option III in two other important ways.

--Because the Executive Agent is responsible for the full range of production, ~~estimative and current~~, the NIO as his staff officer acquires a greater role in current intelligence than he had before.

--The Executive Agent becomes responsible for the requirements, priorities, and evaluations developed by the analytic organization<sup>f</sup> that the DD/Comm and his staff need for the CFI. He has the staff and organization to prepare these

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papers on a systematic basis; the NIO's have had broad responsibilities in this field but are not structured to meet them. They thus are unburdened of an onerous task, while retaining their ability to monitor in a staff capacity.

- - other tasks  
on NIO  
C.R.